

**House State & Local Government Committee Amendment No. 1**

**Amendment No. 1 to SB2584**

**Cooper  
Signature of Sponsor**

**AMEND Senate Bill No. 2584**

**House Bill No. 2126\***

<b>FILED</b>
Date _____
Time _____
Clerk _____
Comm. Amdt. _____
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by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 65-29-115, is amended by designating the existing language of subsection (2) as (2)(A) and by adding the following as a new (2)(B):

(2)(B) Notwithstanding the provisions of this section to the contrary, in any cooperative organized under this chapter which provides service in five (5) or more counties, including a county containing and physically divided by a United States government corps of engineers dam and reservoir project of thirty-four thousand (34,000) acres or more, and which serves less than twenty thousand (20,000) subscribers as of April 15, 1986, the board of directors of such cooperative must give notice to members of the cooperative that at the next annual or special meeting such board of directors is filing a merger stock registration to the United States Securities and Exchange Commission. Such notice to the members shall be published once a week for four (4) consecutive weeks in a newspaper of general circulation in each county served by the cooperative with the last notice being at least three (3) weeks prior to the meeting. Such notice of meeting shall be at least one-fourth (1/4) of a page in size and include an estimate of the monies the board would expend to effectuate the merger. The members shall then vote as to whether such merger stock registration statement may be filed. If a majority of the members approve such filing, then the board may make the appropriate registration statement filing with the United States Securities and Exchange Commission. Once such filing is approved by the United States Securities and Exchange Commission then, the proposition for the merger of the merging cooperatives into the surviving cooperative and the proposed articles of merger approved by the board of directors of the respective cooperatives, parties to the proposed

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merger, shall then be submitted to a vote of the members of each such cooperative at any annual or special meeting thereof, the notice of which shall set forth full particulars concerning the proposed merger including an estimate of the monies expended to effectuate the merger. The notice of such meeting shall also be published once a week for four (4) consecutive weeks in a newspaper of general circulation in each county served by the cooperative with the last notice being at least three (3) weeks prior to the meeting. Such notice of meeting shall be at least one-fourth (1/4) of a page in size. Any election to merge such cooperative shall be held on voting machines and under the supervision of the election commission. The voting machines for any such election shall remain open for nine (9) full hours from 8:00 A.M. until 5:00 P.M. Any election contest pursuant to this subdivision shall be filed and tried by the criminal court of the county where the election occurs. The board of directors is hereby authorized to contract with any county election commission, or the employees thereof, affected by the terms of this subdivision for the purpose of holding an election pursuant to the provisions of this subdivision. Any election as to whether to merge with another cooperative shall also be conducted at an annual or special meeting that is held on a Saturday. The proposed merger and the proposed articles of merger shall be deemed to be approved upon the affirmative vote of not less than two thirds (2/3) of those members of each cooperative voting thereon at such meeting.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.